

# **The decomposition analysis institutional support of traditionalization and innovatization of russian economy**

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## **Abstract**

Variable-based decomposition analysis of traditional and innovative development of national economic systems and forms of its institutional support makes it possible to reveal specific features of the processes that occur in the real and financial sectors of economy, first of all in the sphere of its material production. The sphere of material production in Russia is undertaking a particularly difficult period. The destruction of old institutions that are to govern production activities and the lack of new effective institutions had the most negative impact on material production of the economy. Those Russian industrial enterprises that have survived are under the pressure of tough world competition. Many of them need serious support, including an institutional one. The article focuses on the theory and methodology of origin, functioning, development and transformation of institutions in the process of traditional and innovative development of national economic systems; the authors carry out a diverse contrastive decomposition of national economic systems, reveal the functional role of interaction of traditions, innovations, investments and institutions in Russian economy as well as their controversial poly furcation consequences.

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## **Keywords**

Bifurcations, Business, Contradictions, Dissipations, Diversification, Fractals, Innovation, Institutional fields, «tough» H «mild» institutions, Institutions, Investments, Laws, National economic systems, Power, Socium (Social medium), Tradition